



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

JUN 07 2006

OFFICE OF
WATER

MEMORANDUM

SUBJECT: Tentative Allotments for the FY2007 Drinking Water Infrastructure Grants Tribal Set-Aside Program

FROM: Stephen F. Heare, Director
Drinking Water Protection Division, OGWDW

Handwritten signature and initials: "S. Heare" and "J. [unclear]"

TO: Regional Drinking Water Program Managers
Regions I, II and IV through X

I'm pleased to announce that we have completed the process of gathering information necessary to calculate the tentative Regional allotments for the FY2007 Drinking Water Infrastructure Grants Tribal Set-Aside Grant Program – the Tribal component of the Drinking Water State Revolving Loan Fund (DWSRF). The allotments are based on the President's budget request of \$841,500,000 for the DWSRF program.

The Safe Drinking Water Act allows us to use up to 1½ percent of the DWSRF funds for the Tribal Set-Aside program. As in past fiscal years, our policy is to set aside the maximum allowable, which would be \$12,622,500 based on the budget request. The Regional allotments, based on the projected set-aside of \$12,622,500, are attached for your use in planning for your FY2007 Tribal program.

The allotment formula is based on the statistics contained in the most recent *Drinking Water Infrastructure Needs Survey* (DWINS) and the Indian Health Service (IHS) Sanitation Deficiency System (SDS) Funding Plan. For the FY2007 allotments we used the Tribal needs information that was contained in the 2003 DWINS Report, and the IHS SDS information that was provided to us by IHS in January, 2006.

When we get an FY2007 Appropriation and Operating Plan, we will calculate the final FY2007 allotments. As in past years, the final allotments will be the same as the tentative allotments unless the funds we receive for the program differ from the President's budget request. Should that occur, we will recalculate the allotments, using the same input data as was used to calculate the tentative allotments. The only change will be the amount of money to be distributed.

Continuing with what we began last year, we plan to use the projects funded through the Tribal Set-Aside program to measure progress toward the Agency's strategic target of reducing the number of households on tribal lands lacking access to safe drinking water and that the IHS SDS will be the source of data that will be used to measure the progress. Tribal households lacking access to safe drinking water will be addressed by funding SDS projects that are at a Level 4 Deficiency or higher. As a result, we strongly encourage Regions to use the FY2007 Tribal Set-Aside funds to address projects that are identified on the SDS and have a Deficiency Level of 4 or 5. *(This policy does not alter the existing guidance regarding recipients or methods of accomplishing a project. Tribes may, of course, receive direct grants from the DWSRF Tribal Set-Aside and manage a project that is identified in SDS.)*

Please keep in mind that EPA Order 5700.7, "*Environmental Results Under Assistance Agreements*" applies to any grants made under this Tribal Set-Aside program after January 1, 2005. The Order requires EPA Program Offices to:

- 1) link proposed assistance agreements to the Agency's Strategic Plan/GPRA architecture at the goal, objective, and, where appropriate, sub-objective level;
- 2) ensure that well-defined outputs and, to the maximum extent practicable, well-defined outcomes are appropriately addressed in assistance agreement work plans and funding recommendations; and
- 3) ensure that progress in achieving agreed-upon outputs and outcomes is adequately addressed in recipient progress reports and advanced monitoring activities.

If you have any questions about the tentative allotments, please give me a call, or have your staff call Ray Enyeart on (202) 564-3829.

Attachment

Tentative FY 2007 Allotments
Drinking Water Infrastructure Grants Tribal Set-Aside Program

Based on a Budget Request of \$841,500,000 for the DWSRF Program
A total of \$12,622,500 would be available for DWIG TSA Program

Region 1	\$280,100
Region 2	\$269,500
Region 4	\$491,400
Region 5	\$698,000
Region 6	\$1,219,400
Region 7	\$312,700
Region 8	\$1,443,600
Region 9	\$3,476,300
Region 10	\$4,431,500
NATIONAL TOTALS:	\$12,622,500